(b) No, Sir. SBI is, however, working out a suitable compensation package for the employees of the company.

(c) and (d) The information is being collected and to the extent available, will be laid on the Table of the House.

Prepayment of External Debt

2066. SHRI NANA DESHMUKH: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether according to RBI there is now a proper time for India to make prepayment of external debt especially when there are provisions in terms allowing prepayment and the foreign exchange reserves have risen to US $ 67 billion, the 7th largest in the World; and

(b) if so, what is Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) Taking advantage of comfortable foreign exchange reserves and lower domestic interest rates, the Government has prematurely retired twenty four high cost external loans owed to the World Bank and Asian Development Bank (ADB) amounting to US$ 1688 million and US$ 1158 million, respectively during the current financial year.

Delisting of shares from stock exchanges

2067. SHRI P. PRABHAKAR REDDY: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether the Securities and Exchange Board of India (SEBI) has issued detailed guidelines on delisting of shares from stock exchanges;

(b) if so, the details thereof;

(c) whether these guidelines makes provision for an opportunity to be given to the investors for an exit option when the shares are delisted from the stock market; and

(d) if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) Yes, Sir. Securities and Exchange Board of India (Delisting of Securities) Guidelines 2003, have been issued on February 17, 2003 with the objective of protecting and interest of investors in the securities market.

(b) to (d) Important provisions in the guidelines are:

(i) In addition to voluntary and compulsory delisting, Guidelines shall be applicable to any acquisition of shares of the company (either by a promoter or by any other person) or scheme or arrangement, by whatever name referred to, consequent to which the public shareholding falls below the minimum limit specified in the listing conditions or listing agreement that may result in delisting of securities.

(ii) Company shall not be permitted to use the buy-back provision to delist its securities.

(iii) Companies can delist from stock exchanges only by offering an exit route to remaining shareholders through a reverse book building process. This mechanism would allow shareholders to bid to sell on the screen of any stock exchange with nation wide access and the highest price at which the maximum number of shareholders would be willing to sell would be the offer price. Further, the promoter shall offer a floor price on the basis of average of previous 26-week's high and low prices to investors.

(iv) If the quantity eligible for acquiring securities at the final price offered does not result in public shareholding falling below required level of public holding for continuous listing, the company shall remain listed.

(v) Stock exchanges may, in addition to present cases of compulsory delisting, delist companies which have been suspended for a minimum period of six months for non-compliance with the Listing Agreement.

These guidelines seek to protect the interests of the small investors in the wake of any company delisting from the exchanges.